

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)
) Chapter 11
W.R. GRACE & CO.,)
et al.,¹) Case No. 01-1139 (JKF)
)
Debtors.) Jointly-Administered
)
) Proposed Hearing Date: December 15, 2008 @ 2:00 p.m. (EST)
) Proposed Response Deadline: December 13, 2008 @ 4:00 p.m. (EST)
) Proposed Reply Deadline: December 14, 2008 @ 2:30 p.m. (EST)

**MOTION TO SHORTEN NOTICE IN CONNECTION
WITH ROYAL INDEMNITY COMPANY'S MOTION FOR
ENTRY OF CONFIDENTIALITY ORDER**

Arrowood Indemnity Company f/k/a Royal Indemnity Company, Federal Insurance Company, Continental Casualty Company, Maryland Casualty Company, Zurich Insurance Company, Zurich International Ltd., Government Employees Insurance Co., Columbia Insurance Company f/k/a Republic Insurance Company (the "Insurers") by and through its undersigned counsel, hereby moves this Court for an order pursuant to Rule 9006(c)(1) of

¹ Debtors include: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co. Conn., A-I Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace 11, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (a/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B 11 Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G 11 Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc.), E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company

the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 9006-1(e) of the Local Rules for the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), and from the Court's case management order in this case, shortening notice in connection with the Insurers Motion for Entry of Confidentiality Order (the "Motion for Entry of Confidentiality Order"). In support hereof, the Insurers respectfully represents as follows:

1. The Insurers have consulted with the Debtors, the Asbestos Creditors Committee (the "ACC"), the Future Claims Representative ("FCR") and other non-moving insurers each of whom have consented to the relief sought by the Motion to Shorten. The parties have discussed, and will continue to discuss, the final form of the proposed confidentiality agreement; however, in order to provide as much notice as possible prior to the December 15, 2008 hearing the Insurers have file their Motion for Entry of Confidentiality Order and this instant Motion to Shorten.

2. On November 24, 2008, the Court heard arguments and objections from numerous parties with respect to the Debtors proposed case management order. Various parties pointed out that the schedule proposed by the Plan Proponents is aggressive with expert reports due two weeks after the News Years holiday and discovery for those parties included in Phase I ending not long thereafter. The Insurers further argued that, unless the Plan Proponents are required to produce certain basic documents that have already been produced to the other parties to the confirmation proceedings at the outset of the discovery schedule they would be severely prejudiced and their rights to due process impaired.

3. Debtors' counsel voiced a willingness to work with the Insurers on the issue, expressed concern about confidentiality and offered to report back to the Court on

December 15. Thereafter, the parties participated in a meet and confer on December 1 and again on December 5 during which a confidentiality stipulation was discussed.² To attempt to comply with the aggressive schedule proposed by the Plan Proponents, the Insurers need access to the documents previously produced to the other parties to the confirmation proceedings. The prompt entry of a confidentiality order³ benefits all parties in interest by clearing a road block that otherwise presents the prospect of delay.

4. The Insurers therefore respectfully requests that the Court shorten the notice of the Motion, otherwise required by the Local Rules and the courts case management order so that the Motion may be heard by the Court at the same date as the Debtors and Insurers are to be heard by the Court on the now entered Case Management Order, scheduled for December 15, 2008. This will allow the Court sufficient time to consider the Motion to Extend in conjunction with the Hearing on the expedited Case Management Schedule.

5. The Insurers requests that the deadline for filing responses to the Motion to be set for December 13, 2008 at 4:00 p.m.

6. The Insurers also requests that the deadline for filing a reply to the Motion be set for December 14, 2008 at 2:30 p.m.

7. No prejudice to any parties in interest will result from the relief sought herein as the notice period would be shortened (to 8 days) for administrative convenience

² On November 24, 2008, the Court heard arguments and objections from numerous parties with respect to the Debtors' proposed Case Management Order (the "CMO"). On December 3, 2008 the Debtors filed a Certification off Counsel attaching their proposed CMO (the "Certification of Counsel") [Dkn.20186]. On December 4, 2008, certain Insurers including Royal filed an Objection to the Debtors' proposed CMO (the "Insurers Objection") [Dkn. 20188].

³ The Debtors proposed a confidentiality agreement to the Insurers and certain Insurers provided comments. To expedite the process the Insurers transformed the proposed confidentiality agreement into a proposed form of order that the insurers respectfully request be entered at the December 15, 2008 hearing or earlier.

purposes in order to have the Motion heard at the next scheduled hearing, December 15, 2008, dealing with the proposed Case Management Schedule. The Plan Proponents, and all other parties in interest, are fully familiar with the issues and the confidentiality order simply extends to the insurers the right to access on the same documents that the Plan Proponents have reviewed on the same terms. No prejudice will be suffered as a result of shortened notice. Furthermore, there is a strong nexus between the expedited Case Management Schedule and the Confidentiality Order sought by Royal, such that addressing both issues at the same time will allow the Court to consider all relevant factors as to each of these interrelated issues. Given the nature of the relief sought by the Motion, Royal submits that the notice procedures described above are sufficient.

WHEREFORE, Royal respectfully requests that the Court enter an order (i) shortening notice of the Motion to Extend as set forth herein, (ii) setting a Hearing Date for December 15, 2008 and (iii) granting such other and further relief as the Court deems appropriate under the circumstances.

Dated: December 5, 2008
Wilmington, Delaware

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BIFFERATO GENTILOTTI, LLC

By: /s/ Garvan F. McDaniel

Ian Connor Bifferato, Esq. (#3273)
Garvan F. McDaniel, Esq. (#4167)
800 King Street, First Floor
Wilmington, Delaware 19801
Tel: (302) 254-5396

- and -

Carl J. Pernicone, Esq.
WILSON, ELSER, MOSKOWITZ,
EDELMAN & DICKER LLP
150 East 42nd Street
New York, New York 10017-5639
Tel: (212) 490-3000

- and -

Tancred Schiavoni, Esq.
Gary Svirsky, Esq.
O'MELVENY & MYERS LLP
7 Times Square
New York, New York
Tel: (212) 326-2267

*Counsel for Arrowood Indemnity
Company, f/k/a Royal Indemnity Company*

COZEN O'CONNOR

By: /s/ Jeffrey R. Waxman

Jeffrey R. Waxman (No. 4159)
1201 N. Market Street, Suite 1400
Wilmington, DE 19801
Tel: (302) 295-2000
Fax: (302) 295-2013

-and -

William P. Shelley (PA ID 40875)
Jacob C. Cohn (PA ID 54139)
1900 Market Street
Philadelphia, PA 19103
Tel: (215) 665-2000
Fax: (215) 665-2013

Counsel for Federal Insurance Company

By: /s/ Warren T. Pratt
Warren T. Pratt (#4334)
David P. Primack (#4449)
DRINKER BIDDLE & REATH LLP
1100 N. Market Street, Suite 1000
Wilmington, DE 19801-1243
Tel: (302) 467-4200
Fax: (302) 467-4201

-and-

Michael F. Brown, Esq.
Jeffrey M. Boerger, Esq.
DRINKER BIDDLE & REATH LLP
One Logan Square
18th & Cherry Streets
Philadelphia, PA 19103-6996
Tel: (215) 988-6996
Fax: (215) 988-2757

*Counsel for Government Employees
Insurance Co. and Columbia Insurance
Company f/k/a Republic Insurance
Company*

CONNOLLY BOVE LODGE &
HUTZ LLP

By: /s/ Jeffrey C. Wisler
Jeffrey C. Wisler (#2795)
Marc J. Phillips (#4445)
1220 Market Street
P.O. Box 2207
Wilmington, DE 19899
Tel: (302) 658-9141

Fax: (302) 658-0380

OF COUNSEL:

By: /s/ Laura G. Stover
Edward J. Longosz, II
Laura G. Stover
Eckert Seamans Cherin & Mellott, LLC
1747 Pennsylvania Avenue, N.W.,
Suite 1200
Washington, DC 20006
Tel: (202) 659-6600
Fax: (202) 659-6699

Richard A. Ifft
Karalee C. Morell
WILEY REIN LLP
1776 K Street, N.W.
Washington, D.C. 20006
Tel: (202) 719-7170
Fax: (202) 719-7049

*Attorneys for Zurich Insurance Company,
Zurich International (Bermuda) Ltd., and
Maryland Casualty Company*